

FINAL OMB SUPPORTING STATEMENT  
FOR  
NRC FORM 327  
"SPECIAL NUCLEAR MATERIAL (SNM) AND SOURCE MATERIAL (SM)  
PHYSICAL INVENTORY SUMMARY REPORT"  
AND  
NUREG/BR-0096  
"INSTRUCTIONS AND GUIDANCE FOR COMPLETING  
PHYSICAL INVENTORY SUMMARY REPORTS"  
(3150-0139)  
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EXTENSION REQUEST

Description of the Information Collection

Special nuclear material (SNM) is required to be controlled and accounted for because of the government's national security obligation to prevent or detect loss, diversion or theft, or the appearance thereof, of quantities of SNM that could be used for clandestine nuclear devices. To meet this obligation, NRC's safeguards Material Control and Accounting (MC&A) regulations for fuel facilities require the conduct of physical inventories of SNM on a periodic basis by licensees. Section 74.17 requires the reporting of physical inventory results on Form 327 each time that a physical inventory is conducted by any fuel facility authorized to possess and use more than one effective kilogram of SNM.

A. JUSTIFICATION

1. Need for and Practical Utility of the Information

NRC Form 327 requires that licensees submit information concerning inventory difference (ID), standard error of the ID (SEID), SEID limit, and ID limit. The information is needed to permit NRC to evaluate licensee performance and ability to provide accurate accounting for SNM and to confirm the absence of (or detect the occurrence of) SNM theft or diversion. The information provided by NRC Form 327 is used for:

- 1) Determining whether SNM is lost, diverted, or stolen;
- 2) Assessing the material control and accounting performance and compliance of SNM licensees;
- 3) Making safeguards regulatory decisions; and
- 4) Fulfilling the Commission's commitment to report to the public (in NUREG-0430, "Licensed Fuel Facility Status Report") differences between licensees' book and physical inventories.

NUREG/BR-0096 provides specific guidance and instructions for completing the form in accordance with the requirements of the particular regulation a licensee is subject to.

2. Agency Use of Information

The NRC uses the information to ensure that licensees are complying with 10 CFR 74.17 in a manner adequate to properly account for SNM and protect public health and safety and the common defense and security. The information is also used by the NRC to evaluate licensees' operations to ensure that they are meeting the requirements of their licenses. The NRC also uses the information to develop a periodic report to the public regarding differences between licensees' book and physical inventories.

3. Reduction of Burden Through Information Technology

There are no legal obstacles to reducing the burden by the use of improved information technology. Certain information is maintained by some licensees using automated information technology. Licensees are encouraged to use automated information technology whenever it will reduce the burden on them. However, respondents report classified information and thus must adhere to security regulations. Because of the type and relatively small amount of information, the reports do not lend themselves readily to the use of automated information technology.

4. Effort to Identify Duplication and Use Similar Information

The Information Requirements Control Automated System (IRCAS) was searched to identify duplication. None was found. The physical inventory data requested on NRC Form 327 are not available in any other NRC data collection system. NRC requires periodic SNM material status reports from all SNM licensees (DOE/NRC Forms 742 and 742C), but that information is based on licensee book records and is not necessarily the immediate result of a physical inventory, nor do such forms provide measurement uncertainty and related information needed to assess the reliability of licensees' accounting programs.

5. Effort to Reduce Small Business Burden

NRC has determined that the licensees required to submit NRC Form 327 are not small entities as that term is defined in the Regulatory Flexibility Act.

6. Consequences to Federal Programs or Policy Activities if the Collection is not Conducted or is Conducted Less Frequently

The reporting corresponds to the physical inventory frequencies required by NRC regulations. The frequency depends on which regulation (regarding physical inventories) a licensee is subject to, which in turn depends on the category of SNM possessed by the licensee and the level of control and monitoring requirements imposed. Less frequent reporting would result in (1) unacceptable delays in determining whether a safeguards significant quantity of SNM had been lost, diverted, or stolen; (2) inadequate NRC knowledge of a licensee's current processing throughput; and (3) inadequate NRC knowledge of a licensee's current measurement capabilities.

7. Circumstances Which Justify Variation from OMB Guidelines

There is no variation from OMB guidelines.

8. Consultations Outside the NRC

The opportunity for public comment was published in the Federal Register on May 10, 2004 (69 FR 25932). No comments were received.

9. Payment or Gift to Respondents

Not applicable.

10. Confidentiality of Information

The respondent's data for high enriched uranium are classified, and low enriched uranium is usually treated as proprietary. Thus, the information is confidential. The only exception is the periodic publication of inventory difference data (after a minimum of one year waiting period) in NUREG-0430, which requires the Commission's approval before the information is released.

11. Justification for Sensitive Questions

None.

12. Estimated of Annualized Burden and Burden Hour Cost

As noted above, the reporting frequency depends on which regulation (regarding physical inventories) a licensee is subject to, which in turn depends on the category of SNM possessed by the licensee and the level of control and monitoring requirements imposed. There are currently two uranium enrichment facilities that are required to conduct physical inventories every two months. Two facilities that process strategic SNM and one that processes SNM of moderate strategic significance are required to conduct physical inventories at least every six months. Additionally, there are five fabricators of commercial power reactor fuel (SNM of low strategic significance) that are required to perform physical inventories at least every 12 months. Overall, there will be an estimated 23 inventory summary reports required each year.

The completion of the SNM Physical Inventory Summary Report will require approximately 4.25 staff hours per licensee per report (including any time needed to read or review the NUREG guidance document). The total industry burden would then be approximately 98 hours (23 reports x 4.25 hours/report). The total annual cost would be approximately \$15,386 (98 hours x \$157 per hour).

13. Estimate of Other Additional Cost

Not applicable.

14. Estimated Annualized Cost to the Federal Government

The estimated annual cost to the Federal Government in administering the program and procedures contained in these requirements is:

Annual cost - professional effort (23 reports x 2 hours/report x \$157 per hour)	=	\$7,222
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Annual cost - compilation, printing and distribution of inventory difference information in NUREG-0430 (\$750 for compilation, \$360 for printing, and \$440 for distribution)	=	\$1,550
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Total annual cost	=	\$8,772
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These costs are fully recovered through fee assessments to NRC licensees pursuant to 10 CFR Parts 170 and 171.

15. Reason for Change in Burden or Cost

There is no change in the burden. However, the cost for professional effort has been increased in accordance with Part 170 to \$157 per hour.

16. Publication for Statistical Use

None.

17. Reason for Not Displaying the Expiration Date

None.

18. Exceptions to the Certification Statement

Not applicable.

B. COLLECTION OF INFORMATION EMPLOYING STATISTICAL METHODS

Statistical methods are not used in this collection of information.

U. S. NUCLEAR REGULATORY COMMISSION

Agency Information Collection Activities: Submission for the Office of Management and Budget (OMB) Review; Comment Request

AGENCY: U. S. Nuclear Regulatory Commission (NRC)

ACTION: Notice of the OMB review of information collection and solicitation of public comment.

SUMMARY: The NRC has recently submitted to OMB for review the following proposal for the collection of information under the provisions of the Paperwork Reduction Act of 1995 (44 U.S.C. Chapter 35). The NRC hereby informs potential respondents that an agency may not conduct or sponsor, and that a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

1. Type of submission, new, revision, or extension: Extension
2. The title of the information collection: NRC Form 327, Special Nuclear Material (SNM) and Source Material (SM) Physical Inventory Summary Report, and NUREG/BR-0096, Instructions and Guidance for Completing Physical Inventory Summary Reports

3. The form number if applicable: NRC Form 327
4. How often the collection is required: The frequency of reporting corresponds to the frequency of required inventories, which depends essentially on the strategic significance of the SNM covered by the particular license. Certain licensees possessing strategic SNM are required to report inventories every 2 months. Licensees possessing SNM of moderate strategic significance must report every 6 months. Licensees possessing SNM of low strategic significance must report annually.
5. Who will be required or asked to report: Fuel facility licensees possessing special nuclear material.
6. An estimate of the number of annual responses: 23
7. The estimated number of annual respondents: 10
8. An estimate of the total number of hours needed annually to complete the requirement or request: 98 hours (an average of approximately 4.25 hours per response for 23 responses).
9. An indication of whether Section 3507(d), Pub. L. 104-13 applies: Not applicable.

10. Abstract: NRC Form 327 is submitted by fuel facility licensees to account for special nuclear material. The data is used by NRC to assess licensee material control and accounting programs and to confirm the absence of (or detect the occurrence of) special nuclear material theft or diversion. NUREG/BR-0096 provides specific guidance and instructions for completing the form in accordance with the requirements appropriate for a particular licensee.

A copy of the final supporting statement may be viewed free of charge at the NRC Public Document Room, One White Flint North, 11555 Rockville Pike, Room O-1 F21, Rockville, MD 20852. OMB clearance requests are available at the NRC worldwide web site:

<http://www.nrc.gov/public-involve/doc-comment/omb/index.html>. The document will be available on the NRC home page site for 60 days after the signature date of this notice.

Comments and questions should be directed to the OMB reviewer listed below by (insert date 30 days after publication in the Federal Register). Comments received after this date will be considered if it is practical to do so, but assurance of consideration cannot be given to comments received after this date.

OMB Desk Officer  
Office of Information and Regulatory Affairs (3150-0139)  
NEOB-10202  
Office of Management and Budget  
Washington, DC 20503

Comments can also be submitted by telephone at (202) 395-3087.

The NRC Clearance Officer is Brenda Jo. Shelton, 301-415-7233.

Dated at Rockville, Maryland, this 25<sup>th</sup> day of August, 2004.

For the Nuclear Regulatory Commission.

/RA/

Brenda Jo. Shelton, NRC Clearance Officer  
Office of the Chief Information Officer



(MM-YYYY)

10 CFR 70.51(e)(5), 74.31(c)(5),  
74.33(c)(4), and 74.59(f)(1)

## SPECIAL NUCLEAR MATERIAL (SNM) AND SOURCE MATERIAL (SM) PHYSICAL INVENTORY SUMMARY REPORT

(Physical inventories of SM pertain only to uranium enrichment facilities.)  
(See NUREG/BR-0096 for instruction and guidance for completing this form.)

Estimated burden per response to comply with this mandatory collection request: 00 minutes. State here why and how NRC will use this information. Send comments regarding burden estimate to the Records and FOIA/Privacy Services Branch (T-5 F52), U.S. Nuclear Regulatory Commission, Washington, DC 20555-0001, or by internet e-mail to infocollects@nrc.gov, and to the Desk Officer, Office of Information and Regulatory Affairs, NEOB-10202, (3150-0139), Office of Management and Budget, Washington, DC 20503. If a means used to impose an information collection does not display a currently valid OMB control number, the NRC may not conduct or sponsor, and a person is not required to respond to, the information collection.

A. LICENSEE NAME		B. FACILITY LOCATION	
C. DOCKET NUMBER	D. SNM LICENSE NUMBER	E. PLANT DESIGNATION	
F. MATERIAL BALANCE REPORT	BEGINNING DATE		ENDING DATE
G. MATERIAL TYPE <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <div><input type="checkbox"/> LEU</div> <div><input type="checkbox"/> U-233</div> <div><input type="checkbox"/> Pu-238</div> <div><input type="checkbox"/> NORMAL URANIUM</div> </div> <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <div><input type="checkbox"/> HEU</div> <div><input type="checkbox"/> PLUTONIUM</div> <div><input type="checkbox"/> URANIUM IN CASCADES</div> <div><input type="checkbox"/> DEPLETED URANIUM</div> </div>			
H. LICENSEE'S CERTIFYING OFFICIAL ( <i>Printed Name and Signature</i> )			DATE

LINE NUMBER	DESCRIPTION	GRAM ELEMENTS (U or Pu)	GRAMS ISOTOPE <i>Isotope Code</i>
* Indicate whether the entered values are positive or negative by use of appropriate "+" or "-" signs.			
1	BEGINNING INVENTORY (BI)		
2	PLUS ADDITIONS TO INVENTORY (A)		
3	MINUS SHIPMENTS (S)		
4	MINUS MEASURED DISCARDS (MD)		
5	MINUS ENDING INVENTORY (EI)		
* 6	EQUALS INVENTORY DIFFERENCE (ID)		
* 7	PLUS BIAS CORRECTION TO ID (BC) (Net sum of all bias corrections pertaining to, but not included in the above quantities)		
* 8	PLUS SUM OF PRIOR PERIOD ADJUSTMENTS THAT AFFECT THE CURRENT PERIOD ID (PPA)		
* 9	EQUALS ADJUSTED INVENTORY DIFFERENCE (AID)		
10a	STANDARD ERROR OF THE ID (SEID)		
10b	LIMIT OF ERROR OF THE ID (LEID)		
11a	ACTIVE INVENTORY (AI)		
11b	THE LARGER OF "ADDITIONS TO PROCESS" OR REMOVALS FROM PROCESS" (ATP) (RFP)		
12a	SEID LIMIT		
12b	LEID LIMIT		
13	ID LIMIT		